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UNITED STATES BANKRUPTCY COURT

DISTRICT OF NEVADA

In re:
 USA COMMERCIAL MORTGAGE COMPANY,
 Debtor.

Case No. BK-S-06-10725 LBR
 Case No. BK-S-06-10726 LBR
 Case No. BK-S-06-10727 LBR
 Case No. BK-S-06-10728 LBR
 Case No. BK-S-06-10729 LBR

In re:
 USA CAPITAL REALTY ADVISORS, LLC,
 Debtor.

Chapter 11

In re:
 USA CAPITAL DIVERSIFIED TRUST DEED
 FUND, LLC,
 Debtor.

Jointly Administered Under
 Case No. BK-S-06-10725 LBR

In re:
 USA CAPITAL FIRST TRUST DEED FUND,
 LLC,
 Debtor.

In re:
 USA SECURITIES, LLC,
 Debtor.

**USA SECURITIES, LLC'S FINAL
 REPORT OF ACTION TAKEN AND
 PROGRESS TOWARDS
 CONSUMMATION OF CONFIRMED
 PLAN OF REORGANIZATION**

(Affects USA Securities, LLC)

Affects:

- ☐ All Debtors
- ☐ USA Commercial Mortgage Company
- ☒ USA Securities, LLC
- ☐ USA Capital Realty Advisors, LLC
- ☐ USA Capital Diversified Trust Deed Fund, LLC
- ☐ USA Capital First Trust Deed Fund, LLC

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USA Securities, LLC (“USA Securities”), by and through its counsel, hereby submits this Final Report of Action Taken and Progress Towards Consummation of Confirmed Plan of Reorganization (“Final Report”). This Final Report is submitted pursuant to Article VIII, Section U of the Debtors’ Third Amended Joint Chapter 11 Plan of Reorganization (the “Plan”), and Paragraph 75 of the Court’s “Order Confirming the Debtors’ ‘Third Amended Joint Chapter 11 Plan of Reorganization,’ as Modified Herein” (Docket No. 2376) (the “Confirmation Order”). The Plan became effective on March 12, 2007 (the “Effective Date”). USA Securities filed its First Report of Action Taken and Progress Towards Consummation of Confirmed Plan of Reorganization (“First Report”) on July 16, 2007, covering the period of March 13, 2007, through June 30, 2007 (Docket No. 4176). USA Securities files its Second Report of Action Taken and Progress Towards Consummation of Confirmed Plan of Reorganization (“Second Report”) on October 25, 2007 (Docket No. 5087) covering the period of July 1, 2007, through September 30, 2007.¹ Both the First Report and the Second Report are incorporated herein by reference, as is USA Securities, LLC’s Motion to Close Case and Request for Final Decree (“Motion to Close”) and the Declaration of Susan M. Smith in Support of Motion to Close (“Smith Declaration”), both filed contemporaneously herewith.

I. Summary of Resolution of Proofs of Claim Filed Against USA Securities

As discussed in greater detail in the First Report and Second Report, USA Securities has resolved all of the proofs of claims filed against it including the claims filed by the filed by the Pension Benefit Guaranty Corporation (“PBGC”). As discussed in the Second Report, the PBGC agreed to withdraw its claims against USA Securities with prejudice by Stipulation and Order dated July 27, 2007 (Docket No. 4232). All other proofs of claim filed against USA Securities have been withdrawn or disallowed except (A) claim number 22 filed by Michael Mollo (“Mollo Claim”) which, pursuant to a stipulation entered into with USA Securities and approved by Order dated May 25, 2007 (Docket No. 3768), has been allowed as a \$50 priority claim, and (B) claim number 42 filed by the Nevada Department of Taxation in the amount of \$1,831.29, \$1,692.96 of

¹ Unless otherwise provided herein, all capitalized words and terms are defined in the confirmed Plan.

which is a priority claim, and to which no objection was filed. *See* Smith Declaration at ¶¶ 4-10. The Mollo claim will be paid in the amount of \$50 and USA Securities will pay the priority portion of the Nevada Department of Taxations Claim. Thus, all proofs of claim filed against USA Securities have now been resolved.

II. Summary of Resolution of Scheduled Claims

As discussed in the First Report, USA Securities is not required to make distributions on account of any of the claims originally listed on its Schedules. *See* Smith Declaration at ¶¶ 11-14.

III. Resolution of Motions, Contested Matters, and Adversary Proceedings

As of the filing of the Second Report, all motions, contested matters, and/or adversary proceedings involving USA Securities had been resolved with the exception of the “conditional” adversary proceeding which was filed by Compass against, in relevant part, all of the Debtors on July 7, 2007, designated as Adversary Proceeding No. 07-01105 (“Compass Proceeding”). On October 26, 2007, Compass filed a notice of dismissal dismissing USA Securities from the Compass Proceeding. Thus, all motions, contested matters, and/or adversary proceedings involving USA Securities have now been resolved. *See* Smith Declaration at ¶¶ 15-17.

IV. Liquidation and Distribution of Assets

All assets of USA Securities have been liquidated and all proceeds have been distributed in accordance with the Plan or will be distributed within 10 days after entry of an Order granting the Motion to Close. *See* Smith Declaration at ¶ 6.

V. Dissolution of USA Securities

On November 19, 2007, and pursuant to Art. VIII, Section L.3 of the Plan and ¶ 71 of the Confirmation Order, USA Securities filed a certificate of dissolution with the Nevada Secretary of State. On November 20, 2007, USA Securities was officially dissolved with the State of Nevada. *See* Smith Declaration at ¶ 18.

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CONCLUSION

Accordingly, based on the Smith Declaration, the First Report, the Second Report, the Motion to Close, and this Final Report, USA Securities requests that this Court grant the Motion to Close and enter a Final Decree in USA Securities' Chapter 11 Case.

Respectfully submitted this 21st day of November, 2007.

/s/ Lenard E. Schwartz, Esq.

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